

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2008

	January-08				December-07				September-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	FYTD	FY07	Ended	Ended
				Net ROR				Net ROR					Net	Net	6/30/2007	6/30/2007
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
Los Angeles Capital	693,079	2.6%	2.8%	-9.31%	653,886	2.8%	2.8%	-1.50%	814,788	2.8%	2.8%	0.38%	-10.33%	21.84%	13.35%	N/A
Total Structured Growth	693,079	2.6%	2.8%	-9.31%	653,886	2.8%	2.8%	-1.50%	814,788	2.8%	2.8%	0.38%	-10.33%	21.84%	13.35%	10.94%
Russell 1000 Growth				-7.80%				-0.77%				4.21%	-4.65%	19.04%	8.70%	9.28%
<i>Structured Value</i>																
LSV	719,340	2.7%	2.8%	-3.79%	639,661	2.7%	2.8%	-5.53%	794,356	2.7%	2.8%	-0.89%	-9.92%	23.77%	19.00%	16.55%
Russell 1000 Value				-4.01%				-5.80%				-0.24%	-9.79%	21.87%	15.93%	13.31%
<i>Russell 1000 Enhanced Index</i>																
LA Capital	1,397,474	5.2%	5.6%	-8.07%	1,300,647	5.5%	5.6%	-1.07%	1,622,075	5.6%	5.6%	0.24%	-8.83%	21.27%	13.46%	N/A
Russell 1000				-6.00%				-3.23%				1.98%	-7.23%	20.43%	12.34%	
<i>S&P 500 Enhanced Index</i>																
Westridge	1,603,367	5.9%	5.6%	-5.92%	1,457,703	6.1%	5.6%	-3.04%	1,797,676	6.2%	5.6%	2.18%	-6.79%	21.12%	11.98%	N/A
S&P 500				-6.00%				-3.33%				2.03%	-7.29%	20.59%	11.68%	
<i>Index</i>																
State Street	430,215			-7.02%	395,674			-6.37%	492,581			-0.80%	-13.63%	21.82%	12.34%	11.08%
Total 130/30	430,215	1.6%	1.9%	-7.02%	395,674	1.7%	1.9%	-6.37%	492,581	1.7%	1.9%	-0.80%	-13.63%	21.82%	12.34%	11.08%
S&P 500				-6.00%				-3.33%				2.03%	-7.29%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	4,843,476	17.9%	18.8%	-6.84%	4,447,571	18.7%	18.8%	-2.89%	5,521,475	19.1%	18.8%	0.62%	-8.97%	21.86%	13.76%	12.22%
S&P 500				-6.00%				-3.33%				2.03%	-7.29%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	827,290	3.1%	3.1%	-7.57%	757,753	3.2%	3.1%	-6.35%	925,769	3.2%	3.1%	-3.66%	-16.61%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				-6.65%				-4.09%				-2.60%	-12.80%	18.76%	15.72%	16.16%
<i>Enhanced</i>																
Research Affiliates	801,750	3.0%	3.1%	-5.26%	718,159	3.0%	3.1%	-7.00%	882,681	3.0%	3.1%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-6.82%				-4.58%				-3.09%	-13.83%			
TOTAL SMALL CAP DOMESTIC EQUITY	1,629,040	6.0%	6.3%	-6.44%	1,475,912	6.2%	6.3%	-6.67%	1,808,450	6.2%	6.3%	-4.98%	-17.03%	18.39%	13.70%	14.37%
Russell 2000				-6.82%				-4.58%				-3.09%	-13.83%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY																
<i>Large Cap - Active</i>																
Capital Guardian	1,031,310	3.8%	4.0%	-9.18%	953,779	4.0%	4.0%	-1.23%	1,172,035	4.0%	4.0%	0.61%	-9.75%	25.99%	21.19%	14.89%
LSV	975,418	3.6%	4.0%	-10.58%	917,055	3.9%	4.0%	-6.39%	1,189,785	4.1%	4.0%	-3.37%	-19.11%	31.24%	N/A	N/A
Total Large Cap - Active	2,006,728	7.4%	8.0%	-9.87%	1,870,834	7.9%	8.0%	-3.80%	2,361,820	8.2%	8.0%	-1.43%	-14.53%	28.57%	22.95%	18.43%
MSCI EAFE - 50% Hedged				-10.14%				-2.19%				0.11%	-12.01%	26.94%	22.55%	15.71%
<i>Small Cap - Value</i>																
DFA	251,846	0.9%	1.0%	-6.60%	226,779	1.0%	1.0%	N/A	0	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lazard	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	289,037	1.0%	1.0%	-3.92%	N/A	21.03%	20.93%	N/A
Total Small Cap Value	251,846	0.9%	1.0%	-6.60%	226,779	1.0%	1.0%	N/A	289,037	1.0%	1.0%	-3.92%	-10.84%	21.03%	20.93%	N/A
Citigroup Broad Market Index < \$2BN				-9.70%				-5.94%				-0.66%	-15.62%	28.58%	26.34%	
<i>Small Cap - Growth</i>																
Vanguard	250,800	0.9%	1.0%	-9.13%	232,138	1.0%	1.0%	-4.84%	282,856	1.0%	1.0%	-1.48%	-14.81%	31.00%	28.08%	N/A
Citigroup Broad Market Index < \$2BN				-9.70%				-5.94%				-0.66%	-15.62%	28.58%	26.34%	
TOTAL INTERNATIONAL EQUITY	2,509,373	9.3%	10.0%	-9.47%	2,329,751	9.8%	10.0%	-3.97%	2,933,713	10.1%	10.0%	-1.70%	-14.54%	28.02%	23.43%	17.15%
MSCI EAFE - 50% Hedged				-10.14%				-2.19%				0.11%	-12.01%	26.94%	22.55%	15.71%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	4,604,498	17.0%	17.1%	1.78%	4,140,033	17.4%	17.1%	1.63%	4,773,736	16.5%	17.1%	1.87%	5.37%	7.29%	4.44%	5.64%
Lehman Aggregate				1.68%				3.00%				2.84%	7.71%	6.12%	3.98%	4.48%
<i>Mortgage Backed</i>																
Hyperion	1,227,850	4.5%	4.4%	0.58%	1,107,425	4.7%	4.4%	-1.00%	1,299,305	4.5%	4.4%	-1.78%	-2.20%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				2.04%				3.15%				3.88%	9.34%			
<i>Core Plus/Enhanced</i>																
Clifton Group	1,352,002	5.0%	4.4%	2.46%	1,206,895	5.1%	4.4%	3.99%	1,347,820	4.7%	4.4%	4.41%	11.25%	5.52%	N/A	N/A
Prudential	1,277,872	4.7%	4.4%	0.98%	1,157,169	4.9%	4.4%	2.45%	1,312,020	4.5%	4.4%	1.95%	5.47%	N/A	N/A	N/A
Total Core Plus/Enhanced	2,629,874	9.7%	8.8%	1.73%	2,364,064	10.0%	8.8%	3.23%	2,659,840	9.2%	8.8%	3.18%	8.37%	5.95%	N/A	N/A
Lehman Aggregate				1.68%				3.00%				2.84%	7.71%	6.12%		
<i>Index</i>																
Bank of ND	2,309,231	8.5%	7.7%	1.99%	2,071,045	8.7%	7.7%	3.04%	2,376,300	8.2%	7.7%	3.09%	8.35%	5.45%	2.92%	4.32%
Lehman Gov/Credit (1)				1.90%				3.10%				3.01%	8.22%	6.00%	3.04%	4.35%
<i>BBB Average Quality</i>																
Wells Capital (formerly Strong)	4,532,385	16.8%	17.1%	1.07%	4,104,319	17.3%	17.1%	1.98%	4,710,401	16.3%	17.1%	1.48%	4.60%	7.93%	4.86%	6.59%
Lehman US Credit BAA				0.38%				1.90%				1.67%	3.99%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	15,303,838	56.6%	55.0%	1.50%	13,786,886	58.1%	55.0%	2.00%	15,819,582	54.7%	55.0%	1.84%	5.43%	7.11%	3.89%	5.04%
Lehman Aggregate (2)				1.68%				3.00%				2.84%	7.71%	6.12%	4.13%	4.87%
CASH EQUIVALENTS																
<i>Bank of ND</i>																
90 Day T-Bill	2,757,249	10.2%	10.0%	0.29%	1,697,622	7.2%	10.0%	0.96%	2,858,914	9.9%	10.0%	1.24%	2.51%	5.36%	4.10%	3.00%
				0.50%				1.05%				1.34%	2.92%	5.21%	3.78%	2.76%
TOTAL FIRE & TORNADO FUND	27,042,976	100.0%	100.0%	-1.72%	23,737,743	100.0%	100.0%	-0.13%	28,942,134	100.0%	100.0%	0.80%	-1.06%	12.45%	8.08%	8.29%
POLICY TARGET BENCHMARK				-1.59%				0.64%				-1.92%	0.94%	11.30%	7.64%	7.64%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit Index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.